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Rewald Is Given OK to Travel

By Charles Memminger
Star-Bulletin Writer

The same Circuit Court judge who last summer set the state's highest bail on businessman Ronald Rewald yesterday agreed to let Rewald travel to the Mainland to visit his family.

Judge Robert Won Bae Chang gave his permission for Rewald to leave the island, saying he was satisfied that the \$140,000 bail posted by Rewald is sufficient to assure he will return for his court appearances.

Rewald had been held in prison in lieu of \$10 million bail, set by Chang, after he was charged with two counts of first-degree theft by deception in the collapse of the investment firm of Bishop, Baldwin, Rewald, Dillingham and Wong last August.

Authorities believe Rewald might have spent as much as \$17 million of the funds placed in the firm by investors between 1978 and 1983.

Rewald claims the CIA is responsible for the missing money and on Tuesday filed a \$671 million suit against that agency. Rewald's civil attorney, Robert Smith said the grounds for the suit could not be released because of a federal court order restraining parties involved in the case from talking about CIA involvement in Rewald's company.

CIA OFFICIALS have acknowledged that the company was used as a mail drop, but said Rewald's ties with the agency were minor. In September, CIA attorney Robert Laprade filed an affidavit saying the CIA was not involved in the formation of the company and had nothing to do with Rewald's alleged theft of investors' money.

Rewald's criminal attorney, Samuel King Jr., said after yesterday's hearing that he did not know when Rewald would leave for the Mainland but said it would be within the next few weeks, as he told Chang.



COURT ARGUMENTS—Ronald Rewald, left, watches as Deputy City Prosecutor Peter Carlisle describes him as a "snake-oil salesman" during a court hearing yesterday. With Rewald is attorney, Samuel King Jr. —Star-Bulletin Photo by Craig T. Kojima.

does not want that person to suffer from adverse publicity.

In an interview shortly before his release from prison, Rewald said getting a job was one of his main concerns so he could have money to live and hopefully his family.

ALL OF Rewald's personal assets were frozen by a federal court order after his company was forced into bankruptcy and investors' money was missing.

Deputy City Prosecutor Peter Carlisle ranted, telling Chang

it is not a "snake-oil salesman" trying to get out of town before he's tarred and feathered."

"Let's not put an airplane ticket in this man's hand," Carlisle said.

Carlisle said a lot of other pointed things about Rewald and the possibility that he may not return to Hawaii if allowed to leave. All of which came as no surprise to King.

"I expect Carlisle to do what he does," King said.

As for speculation about Rewald's return to Hawaii, King said: "I have no doubt that he'll come back. I'd bet \$10,000 on it."

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\$671 million suit filed by Rewald against CIA

By Ken Kobayashi
Advertiser Courts Writer

Businessman Ronald R. Rewald yesterday filed a federal lawsuit seeking \$671 million from the Central Intelligence Agency on behalf of himself and others who lost millions by investing in his bankrupt company.

"I hope investors will realize this represents their only chance (to get their money)," said Rewald's attorney, Robert Smith.

The basis for the suit, however, was sealed by Smith, who cited federal Judge Martin Pence's ruling last year prohibiting any disclosure by Rewald and his attorneys of classified CIA matters.

The suit acknowledges that the bankruptcy trustee for Rewald's firm — Bishop, Baldwin, Rewald, Dillingham and Wong — holds the rights to any claims against the CIA.

The suit, however, said the trustee declined to file such an action. The suit said Rewald intends to ask the federal

bankruptcy court to allow him to pursue that claim on behalf of the investors and creditors.

Rewald is expected to join forces with others who are also seeking compensation from the CIA. Recently, retired chiropractor-turned-movie producer Dr. Ted Frigard — who said he lost \$300,000 — announced he planned to sue the CIA for \$10 million. The suit was expected to be filed by San Francisco attorney Melvin Belli.

Rewald is expected in state court today for a hearing on his request for permission to leave Hawaii for three weeks to visit his family in Wisconsin and meet with Belli in San Francisco.

Rewald is free on a \$140,000 bond pending his trial in state court later this year on charges that he stole money from two investors.

Circuit Judge Robert W.B. Chang will also hear a request by the city prosecutor's office to force a showing that those who back Rewald's bond have sufficient property.